



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
FORT MCPHERSON, GEORGIA 30330-6000

[Handwritten signature]

REPLY TO
ATTENTION OF

AFLG-PROM

25 October 1996

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 97-5

1. This CIL contains information on the following subjects:
 - a. Ensuring Full and Open Competition for Locksets and Lock Cylinders and
 - b. Subcontracting Plan Evaluation Guide.
2. Ensuring Full and Open Competition for Locksets and Lock Cylinders. Reference memorandum, SFAE-CSA-COT, 10 Oct 96, SAB (encl 1). There have been recent instances where restrictive specifications requiring proprietary builders' hardware have been issued as part of solicitations. DOC personnel are requested to work with DPW to review specifications containing such requirements to ensure that they are not unnecessarily restrictive.
3. Subcontracting Plan Evaluation Guide.
 - a. The attached modified/revised AFARS Appendix CC, Subcontracting Plan Evaluation Guide, is provided at enclosure 2. Revisions incorporate the requirement for goals for subcontract awards to woman-owned businesses. This appendix shall be used to evaluate all subcontracting plans, except those for commercial items, IAW AFARS 19.705-4.
 - b. This modification/revision was completed by the FORSCOM SADB Office and has been approved by the PARC, as delegated in

AFLG-PROM

SUBJECT: Contracting Information Letter (CIL) 97-5

the Introduction to the AFARS Appendix CC. For additional information, please contact Gail Burrell at DSN 367-6787.



2 Encls
as

TONI M. GAINES
Acting Chief, Contracting Division,
DCSL&R
Acting Principal Assistant
Responsible for Contracting

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DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
U.S. ARMY CONTRACTING SUPPORT AGENCY
5109 LEESBURG PIKE
FALLS CHURCH, VIRGINIA 22041-3201

6 OCT 1996



10 OCT 1996

REPLY TO
ATTENTION OF

SFAE-CSA-COT


MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Ensuring Full and Open Competition for Locksets and
Lock Cylinders

There have been recent instances where restrictive specifications requiring proprietary builders' hardware have been issued as a part of solicitations. This has occurred even in light of the attached memorandum issued by the U.S. Army Corps of Engineers to the engineering community.

Request you pass the attached memorandum to the Directorates of Contracting within your command, who in turn should pass it to the local engineers. Although the memorandum is dated May 13, 1996, this is not a new problem. It has been happening for several years and has resulted in delays to contract awards caused by justifiable complaints by competing lockset and lock cylinder manufacturers and distributors.

Local contracting personnel should work with local engineers to review specifications containing such requirements to ensure that they are not unnecessarily restrictive.


R. D. KERRINS, JR.
Colonel, AC
Director

Attachment

ENCL 1

13 MAY 1998


CEMP-EA (1110)

SUBJECT: Ensuring Full and Open Competition

b. The authority to contract without providing for full and open competition is supported by a Justification and Approval (J&A) in accordance with the FAR. Early coordination with contracting and counsel is required to verify current requirements for this method of contracting.

4. Where extension of an integrated master keying system is required within an existing designated area, the name of the manufacturer whose locks are presently installed will be specified followed by a statement requiring integrated keying with that system. In this case, to allow bids from other manufacturers who can meet specified requirements, the project specifications must indicate that "or equal" systems are acceptable, must define the salient characteristics of the system needed by the Government, and must identify all known "equal" systems.

5. This memorandum has been coordinated with the Principal Assistant Responsible for Contracting, the Office of Chief Counsel, and the Directorate Construction Division. The CEMP-EA point of contact is Mr. Rick Dahnke, telephone (202) 761-1203.



KISUK CHEUNG, P.E.
Chief, Engineering Division
Directorate of Military Programs

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(CONT)



DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:
CEMP-EA (1110)

13 MAY 1996

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Ensuring Full and Open Competition

1. In the past year, we have learned of instances throughout the Corps where restrictive specifications have been issued requiring proprietary builders' hardware. Specifically, locksets and lock cylinders with key-removable cores from the Best Lock Corporation are being specified to the exclusion of other manufacturers' equal products.
2. It is recognized that most Installation engineers require the use of a single keying system throughout their area of responsibility. A single keying system for an entire installation can be conveniently and economically managed by use of lock cylinders with key-removable cores, a feature that until a few years ago was restricted by patent to the Best Lock Corporation. However, there are now a number of manufacturers (e.g., Arrow, Falcon, Sargent) that produce key-removable cores which are interchangeable with locksets and lock cylinders of other manufacturers. For example, Falcon cores operate in Best locks and can be master-keyed to Best grandmaster key systems (and vice versa), and most Falcon keyways are identical to Best keyways, allowing the keys to be cut on each other's key cutting equipment. This interchangeability allows the seamless extension of existing installation keying systems, regardless of manufacture, making the specification of proprietary systems typically unwarranted for this application.
3. As general policy, plans, drawings, specifications, standards, and purchase descriptions used for acquisitions shall state only the Government's actual minimum needs and will not unnecessarily restrict competition. Project hardware specifications will be based on the current edition of Corps of Engineers Guide Specification CEGS-08700, Builders' Hardware, and will not be written to require particular brand-names, products, or features of products peculiar to one manufacturer, unless:
 - a. The particular brand-names, products, or features are essential to the needs of the Government, and market research indicates that the items are not available from other companies, or that other companies' similar products do not meet, or can not be modified to meet, the project requirements; and

AFARS -- Appendix CC

Subcontracting Plan Evaluation Guide

June 1, 1996

Part 1 -- Introduction

CC-100 Purpose.

The guide provides a methodology for uniform and consistent evaluation of subcontracting plans within the Army. It is designed to facilitate compliance with the mandates of Public Law to increase opportunities for small and small disadvantaged businesses.

CC-101 Applicability.

Except for subcontracting plans for commercial items, use this guide to review all subcontracting plans, including those submitted in response to the conditions described in FAR 19.705-2(d) and DFARS 219.705-2(d). See 19.708(b)(1) for special notices to be inserted in the solicitation regarding submission of subcontracting plans. A copy of the completed evaluation shall be included in the contract file.

CC-102 Goals.

Contracting officers must place special emphasis on negotiating reasonable goals in subcontracting plans. The goals must be realistic, challenging and attainable. The plan must demonstrate a real commitment to, and an active involvement in, providing subcontracting opportunities for small and small disadvantaged businesses.

CC-103 Scoring.

Score subcontracting plans in the context of the particular procurement. For instance, in smaller dollar value contracts, it may be impracticable or not cost effective for offerors to take the type of actions that may be appropriate in contracts for larger dollar values. However, in such cases, offerors must still address each element of the guide and discuss what they intend to do regarding each element. Contracting officers shall then assign appropriate point scores.

CC-104 Modification of Guide.

The evaluation guide and scoring system shall not be modified without the approval of the PARC. This approval authority may not be delegated.

CC-105 Use of Preaward Surveys.

For contracts administered by the Defense Contract Management Command (DCMC), information needed to assess contractor compliance with subcontracting plans in current and previous contracts may be obtained by requesting a preaward survey in accordance with FAR 9.106.

AFARS -- Appendix CC

Subcontracting Plan Evaluation Guide

June 1, 1996

Point Range		Points Assigned	
1.	<i>Policy statement or evidence of internal guidance to company buyers recognizing commitment to Pub.L. 99-661, Section 1207, and Pub.L. 100-180, Section 806.</i>	0-5	
0	No written policy statement in plan.		
1-2	Plan includes a general policy, but no evidence of recognition of special emphasis being placed on subcontracting with SWOBs, SDBs, HBCUs and MIs as a result of Pub.L.s.		
3-5	Definitive corporate and management commitment evidenced in individual plan and master plan by specifically referencing the Pub.L.s.		
2.	<i>Efforts to broaden SB, SWOB and SDB active vendor base (FAR 19.704(a), 52.219-9(d), DFARS Subpart 219.5, 219.704(a)(1), 219.705 and 252.219-7003)</i>	0-10	
0	Description of efforts merely parrots requirements of FAR to maintain listing of vendors.		
1-2	Contains evidence that effort is directed at increasing subcontracts to SBs, SWOBs and SDBs for non-complex and general housekeeping supplies or services normally awarded to firms already in existing vendor base.		
3-10	Addresses efforts to increase the number of SB, SWOB and SDB sources awarded subcontracts, establishes plans to use competition restricted to SDBs and gives details about how plans to use competition restricted to SDBs will be accomplished. (DFARS 219.705-4 and Subpart 219.5)		
Note:	After scoring the plan to this point, if zero points have been assigned for Element 2, proceed to Item 3, Outreach. If one or more points have been assigned for this Element 2, proceed to evaluation of the subelements labeled "minus 2" and "minus 3" to determine if points assigned so far must be reduced. Do not reduce points already assigned to less than zero. (No negative points are to be entered under "Points Assigned" for any Element.) These negative scores are additive; if both of the subelements apply, then minus five points are assessed to reduce points already assigned under this element 2.		

minus 2 Includes efforts described above which rate 1-2 or 3-10 points but, when it would be appropriate, does not address effort to involve HBCUs and MIs in performing the contract for which the subcontracting plan is submitted. (DFARS 219.704(a)(1) and 219.705-4(d))

minus 3 Includes efforts described above which rate 1-2 or 3-10 points but does not address effort to identify and overcome obstacles which may prohibit award to HBCU and MI sources currently in vendor base.

Point Range		Points Assigned
3.	<i>Outreach (ongoing and planned actions) (FAR 19.704(a), 19.705-4, 52.219-9(d), 52.219-9(e), DFARS 219.705).</i>	0-10 and
0	No mention of outreach.	
1-4	Describes efforts to work with organizations in FAR 52.219-9(d)(11)(iv) to identify potential sources for items not traditionally awarded to SB, SWOB or SDB firms. (FAR 52.219-9(d)(11)(iv) and 52.219-9(e))	
5-10	Indicates intent to conduct reviews to determine the competence, ability, experience and capacity available in SB, SWOB or SDB firms and to provide technical assistance to SBs and SDBs or explains why such reviews or technical assistance are not appropriate. (FAR 19.705-4(c) and 52.219-9(e))	

Note: After scoring the plan to this point, if zero points have been assigned for Element 3, proceed to Item 4, Description of supplies and services. If one or more points have been assigned for this Element 3, proceed to evaluation of the subelement labeled "minus 3" to determine if points assigned so far must be reduced. Do not reduce points already assigned to less than zero. (No negative points are to be entered under "Points Assigned" for any Element.)

minus 3 Fails to indicate the extent to which HBCU and MI participation will be considered and facilitated in performing the contract for which the subcontracting plan is submitted, or fails to indicate other efforts to increase HBCU and MI participation in future DoD acquisitions. (DFARS 219.705-4(d))

Point Range		Points Assigned
4.	<i>Describes supplies and services to be subcontracted and planned for subcontracting to SBs, SWOBs, SDBs, HBCUs and MIs. (FAR 19.705-4(d), 52.219-9(d)(3), 52.219-9(e) and DFARS 219.705).</i>	0-10
0	No mention.	
1-4	Generic list of routine supplies and services included in materials listing for the specific contract.	
5-7	Indicates intent to review major product/system components and key project elements of R&D, construction, service and spare parts contracts for subcontracting to SBs, SWOBs, SDBs, HBCUs and MIs. (FAR 19.705-4(d)(3) and (4), 52.219-9(e)(1) and (2) and DFARS 219.705)	

8-10	Substantive plan actually targets specific SBs, SWOBs, SDBs, HCBUs and MIs for review to determine their competence, ability, experience and capacity and identifies specific components or major portions of the acquisition for consideration of SB, SWOB, SDB, and HBCU or MI competition. Also, indicates intent to work with large business subcontractors for major subsystems or key project elements to ensure "flowdown" of this philosophy. (FAR 19.705-4(d) and DFARS 219.705)	
5.	<i>Describes specific efforts, based on results of efforts described in Elements No. 3 and No. 4 to ensure that SB, SDB, SWOB, HBCU and MI concerns have equitable opportunity to participate in acquisitions. (FAR 19.704(a), 19.705-4, 52.219-9(d) and DFARS 219.705).</i>	0-15
0	No mention.	
1-4	Description of efforts merely parrots FAR 19.704(a)(3) and (6) and 52.219-9(d)(8).	
5-8	Describes how the company intends to evaluate its own SB, SWOB and SDB award performance and program effectiveness against the established goals, both company-wide and for the individual plan being negotiated. (FAR 19.704(a)(1) and (6) and 52.219-9(d)(11)(v))	
9-12	Includes SBs, SWOBs, SDBs, HCBUs and MIs by name as members of original team for producing specific major components or subassemblies, providing a major service or performing a significant portion of the effort. (DFARS 219.705-2(d))	
13-15	Describes special efforts to establish long-range relationships with SBs, SWOBs, SDBs, HCBUs and MI, including leader-follower techniques, when appropriate. (FAR 19.705-4(d)(4) and DFARS 219.705-2(d))	
6.	<i>Development of percentage goal is based on planned subcontracting which is challenging, yet realistic. (FAR 19.705-4(d), DFARS 219.704(a)(1) and 219.705-4).</i>	0-40
0	Fails to include a specific goal for subcontracting with SBs, SWOBs, SDB/HBCU/MIs or proposes zero percent goal without substantive justification.	
1-5	Sets small business goal of less than 10 percent and/or SWOB goal and SDB/HBCU/MI goals of 2 percent or less with no significant justification.	
6-10	Sets goals of less than 10 percent (SB), 2 percent (SWOB) and 2 percent (SDB), but contractor shows evidence reason-	

able effort, including use of set-asides, to involve SBs, SWOBs, SDBs, HBCUs or MIs in non-traditional areas.

- 11-20 Sets goals of over 10 percent SB, 2 percent SWOB and 2 % (SDB) and also identifies specific SB, SWOB, SDB, HBCU or MI concerns planned to be subcontractors, including the item or service or effort to be subcontracted. Indicates extent to which firms have participated in proposal preparation or otherwise indicates extent to which subcontracting to these firms may reasonably be assured. Goals are realistic in view of actions stated in other portions of the plan and make-or-buy plan, if applicable.
- 21-30 Same as for 11-20 points, but proposed percent of goal is reasonable in comparison with prior experience, yet indicates reasonable effort to improve on past experience in terms of dollars, number of SWOBs, SDBs, HBCUs, and MIs involved, and movement into area without previous SWOB, SDB, HBCU or MI involvement.
- 31-40 Same as 21-30 points, but includes evidence that if SBs, universities or institutions other than HBCUs or MIs are performing on a major component or subassembly, providing a major service or performing on a key project element, SWOBs, SDBs, HBCUs and MIs will also be given an opportunity to perform. Also, the percentage of the SWOB, SDB, HBCU or MI goal compares favorably with the percentage of SB goal, consistent with the Government-wide goals of 20 percent to SB with five percent to SDB, or is otherwise explained, and the plan includes a forecast for improvement. (The SB and SDB goals in the subcontracting plan should approximate the ratio between the SB and SDB Government-wide goals.)

-
7. *Past performance. 0-10*
Extent to which the company has historically been successful in establishing realistic, yet challenging, goals and achieving them. Consider DCMC comments on prime contractor's justifications for prior failure to achieve goals. To avoid penalizing the contractor when there has been no previous defense contract, assign 10 points. (FAR 19.705-4(d)(1) and (d)(2)(iii), 19.706 and DEARS 219.706).
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8. **Other regulatory and statutory requirements.**

If any of the following are answered "NO," the plan is not acceptable and must be revised to comply prior to award:

Does the plan have --

- A. A separate goal for SB, SWOB and SDB? (FAR 19.704(a)(1) and FAR 52.219-9(d)(1) and (2))
 YES NO
- B. A separate goal for the basic contract and, if applicable, each option? (FAR 19.704(c))
 YES NO
- C. The name of the company employee responsible for administration of plan and employee's duties? (FAR 19.704(a)(2) and 52.219-9(d)(7))

- | | | |
|----|---|----|
| | YES | NO |
| D. | A statement affirming intent to comply with subcontracting "flowdown" provisions? (FAR 19.704(a)(4) and 52.219-9(d)(10)) | |
| | YES | NO |
| E. | A statement affirming willingness to cooperate in studies and to provide reports? (FAR 19.704(a)(5) and 52.219-9(d)(10)) | |
| | YES | NO |
| F. | A statement that indirect costs are either included or excluded from the proposed goals and, if included, how they will be prorated? (FAR 52.219-9(d)(6)) | |
| | YES | NO |
| G. | A description of efforts to ensure that SBs, SWOBs and SDBs have an equitable opportunity to participate in the acquisition? (FAR 52.219-9(d)(8)) | |
| | YES | NO |
| H. | A recitation of the types of records maintained to demonstrate procedures adopted to comply with the requirements and goal in the plan? (FAR 52.219-9(d)(11)) | |
| | YES | NO |